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**Registered Retirement
Savings Plans
Report to February 28, 1973**

District Trust Company



Highlights

The year ended February 28, 1973 was once again one of exceptional growth for the three District Trust Company Registered Retirement Savings Plans. Assets under administration now amount to \$1,669,000, representing an increase of 60%.

In our 1972 report it was noted that, under the provisions of the new Income Tax Act, investments in real estate were deemed to be "non-qualified investments". District Trust Company appealed to the Federal Government, and following lengthy negotiations was successful in having the Income Tax provisions amended so that real estate is now an eligible investment for Retirement Savings Plans. Due to the uncertain position of the Real Estate Fund during this period, funds on hand were invested in a prime first mortgage on property situated in Markham, Ontario to complement other investments held in the portfolio. This blended portfolio has produced an overall yield of 10.6% for the year ended February 28, 1973.

The Equity Fund, while reflecting uncertain stock market conditions, nevertheless produced an overall return of 8.2%. Although there are many diverse opinions as to the immediate and short-range performance of the market, we feel that an Equity Fund plays a very important part in a retirement program.

Once again our Guaranteed Fund has proved to be extremely popular.

Total Participants' Equity is now more than \$867,000, an increase of 62% in the past year. Our policy of guaranteeing attractive interest rates for five years, compounded semi-annually, has contributed greatly to the success of this fund. Guaranteed interest rates for the years 1969 through 1973 were:

1969	7½%
1970	8%
1971	8¼%
1972	7¼%
1973	7¾%

AUDITORS' REPORT

To District Trust Company,
Trustee for the Participants in District Trust
Company Guaranteed, Real Estate and Equity
Retirement Savings Plans

We have examined the balance sheets of District Trust Company Guaranteed, Real Estate and Equity Retirement Savings Plans as at February 28, 1973 and the statements of investment income and capital of the Real Estate and Equity Plans for the year then ended. Our examination included a general review of the accounting procedures and such tests of accounting records and other supporting evidence as we considered necessary in the circumstances.

In our opinion these financial statements present fairly the financial position of the Plans as at February 28, 1973 and the results of their operations for the year then ended, in accordance with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

London, Ontario
June 22, 1973

THORNE GUNN & CO.
Chartered Accountants

Guaranteed Retirement Savings Plan

Balance Sheet — February 28, 1973 (with comparative figures at February 29, 1972)

Assets	1973	1972
Deposits in District Trust Company guaranteed account	\$798,446	\$495,300
Accrued interest	69,000	38,800
	<u>\$867,446</u>	<u>\$534,100</u>
Equity		
Capital		
Balance at beginning of year	\$534,100	\$264,241
Net capital deposits	295,702	247,359
Interest income for the year	37,644	22,500
Balance at End of Year	<u>\$867,446</u>	<u>\$534,100</u>

Approved on behalf of the Trustee,
District Trust Company

President: **R. J. Hare**
Secretary: **R. C. Allen**

Real Estate Retirement

Balance Sheet — February 28, 1973 (with comparative figures at February 29, 1972)

Assets	1973	1972
Cash	\$286,536	\$105,920
10% mortgage receivable, due August 1, 1977	89,449	
Real estate (note 1)	<u>322,000</u>	<u>315,000</u>
	<u>\$697,985</u>	<u>\$420,920</u>
 Liabilities		
Accounts payable and accrued liabilities	\$ 3,013	\$ 1,165
Mortgages payable (note 2)	<u>85,775</u>	<u>36,485</u>
	<u>88,788</u>	<u>37,650</u>
 Equity		
Participants' deposits (note 3)	856	450
Capital	<u>608,341</u>	<u>382,820</u>
	<u>609,197</u>	<u>383,270</u>
	<u>\$697,985</u>	<u>\$420,920</u>
Approved on behalf of the Trustee, District Trust Company		
President: R. J. Hare		
Secretary: R. C. Allen		

Notes to Financial Statements Year Ended February 28, 1973

1. Real Estate

The cost of real estate held for investment was \$298,997 (\$298,037 in 1972). Appraisals were obtained to determine the estimated market value of the real estate as at February 28, 1973 of \$322,000 (\$315,000 in 1972).

2. Mortgages Payable

8-¾% maturing April 1, 1986, payable
\$116 monthly including principal and interest

\$ 10,775

9% maturing March 1, 1978, payable \$667
monthly including principal and interest

75,000

\$ 85,775

3. Participants' Deposits

Contributions of participants insufficient in amount to purchase one unit have been disclosed on the balance sheet as participants' deposits.

Savings Plan

Statement of Investment Income Year Ended February 28, 1973 (with comparative figures for 1972)

	1973	1972	Units Purchased	
			1973	1972
Income				
Rent	\$ 40,110	\$ 24,952		
Interest	<u>7,237</u>	<u>2,466</u>		
	<u>47,347</u>	<u>27,418</u>		
Expense				
Mortgage interest	2,236	1,058		
Other interest		432		
Professional fees	1,198	900		
Management fee	2,210	865		
Maintenance	3,243	775		
Taxes	3,020	508		
Light, heat and water	865	203		
Insurance	<u>196</u>	<u>99</u>		
	<u>12,968</u>	<u>4,840</u>		
	<u>34,379</u>	<u>22,578</u>	<u>3,018</u>	<u>2,013</u>
Increase in unrealized appreciation of real estate	<u>6,040</u>	<u>6,819</u>		
Net Investment Income for the Year	<u>\$ 40,419</u>	<u>\$ 29,397</u>	<u>3,018</u>	<u>2,013</u>

Statement of Capital Year Ended February 28, 1973 (with comparative figures for 1972)

	1973	1972	Units	
			1973	1972
Balance at beginning of year	\$382,820	\$238,789	34,141	21,904
Net investment income for the year	40,419	29,397	3,018	2,013
Contributions	<u>201,048</u>	<u>114,634</u>	<u>17,652</u>	<u>10,224</u>
	624,287	382,820	54,811	34,141
Withdrawal	<u>15,946</u>	<u></u>	<u>1,400</u>	<u></u>
Balance at End of Year	<u>\$608,341</u>	<u>\$382,820</u>	<u>53,411</u>	<u>34,141</u>

Investments — February 28, 1973

Real Estate	Value
Dorchester	
Public service building	\$ 29,000
London	
Public service building	36,000
Kitchener	
Shopping plaza	153,000
Woodstock	
Office building	<u>104,000</u>
	<u>\$322,000</u>
Mortgage Receivable on Industrial Property	<u>\$ 89,449</u>

Balance Sheet — February 28, 1973

(with comparative figures at February 29, 1972)

Assets	1973	1972
Cash	\$ 9,565	\$ 11,718
Marketable securities, at quoted market value (cost 1973, \$81,363; 1972, \$69,082)	94,155	77,650
	<u>\$103,720</u>	<u>\$ 89,368</u>
Liabilities		
Accounts payable and accrued liabilities	\$ 225	\$
Equity		
Participants' deposits	11	7
Capital	<u>103,484</u>	<u>89,361</u>
	<u>103,495</u>	<u>89,368</u>
	<u>\$103,720</u>	<u>\$ 89,368</u>
Approved on behalf of the Trustee, District Trust Company		

President: **R. J. Hare**Secretary: **R. C. Allen****Marketable Securities
February 28, 1973**

	Shares	Quoted Market Value
Convertible Preferred Stocks		
Canadian Pacific Investments Ltd., 4-¾%	195	\$ 5,704
The Investors Group, 5%	125	2,969
John Labatt Limited, \$1.00	100	2,863
		<u>11,536</u>
Common Stocks		
Alcan Aluminium Limited	150	3,656
Bell Canada	142	6,266
Brascan Limited — ordinary	330	6,641
Canadian Imperial Bank of Commerce	200	6,000
Canadian Pacific Limited	250	4,281
Cominco Ltd.	100	2,925
Hiram Walker-Gooderham & Worts Limited	150	7,688
Hudson's Bay Company	200	3,950
Hamilton Trust & Savings Corporation	200	3,200
Imperial Oil Limited	200	8,325
International Nickel Company of Canada, Limited	150	4,950
Interprovincial Pipe Line Company	150	4,013
Northern & Central Gas Corporation Limited	100	1,137
Shell Canada Limited — Class "A"	100	5,300
The Steel Company of Canada, Limited	200	6,725
TransCanada Pipelines Limited	100	3,925
Union Gas Limited	300	3,637
		<u>82,619</u>
		<u>\$ 94,155</u>

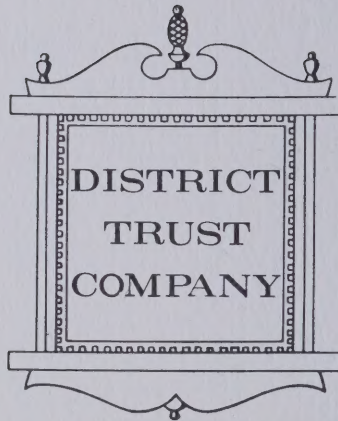
Savings Plan

Statement of Investment Income Year Ended February 28, 1973 (with comparative figures for 1972)

	1973	1972	Units Purchased	
			1973	1972
Dividends	\$ 3,023	\$ 2,620		
Management fee	694	494		
Professional fees	225			
	919	494		
	2,104	2,126	1,853	2,191
Profit (loss) on sale of marketable securities	1,025	(1,762)		
Increase in unrealized appreciation of marketable securities	4,224	11,042		
Net Investment Income for the Year	\$ 7,353	\$ 11,406	1,853	2,191

Statement of Capital Year Ended February 28, 1973 (with comparative figures for 1972)

	1973	1972	Units	
			1973	1972
Balance at beginning of year	\$ 89,361	\$ 66,508	81,742	69,014
Net investment income for the year	7,353	11,406	1,853	2,191
Contributions	18,041	12,910	15,562	11,871
	114,755	90,824	99,157	83,076
Withdrawals	11,271	1,463	9,897	1,334
Balance at End of Year	\$103,484	\$ 89,361	89,260	81,742



Offices to Serve You

London

Head Office,
484 Richmond Street
Covent Market Building
370 Queens Ave — Real Estate

672-0610
434-6024
672-9080

Strathroy

26 Front Street
12 Caradoc Street — Real Estate

245-1090
245-3322

Guelph

Wellington and Gordon Street

821-2160

Elmira

24 Arthur Street S.

669-5186

Kitchener

259 King Street W.
780 King Street W. — Real Estate

579-4020
743-6355

Toronto

65 Queen Street West

363-1563

Brantford

233 Colborne St. — Real Estate

753-4105